

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

G

W-04120A
Grand Canyon Caverns and Inn, LLC
PO Box 180
Peach Springs, AZ 86434

RECEIVED
MAY 13 2008
UTILITY DIVISION

ANNUAL REPORT

FOR YEAR ENDING

12	31	2007
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FOR COMMISSION USE

ANN 04	07
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PROCESSED BY:

5-12-08

SCANNED

COMPANY INFORMATION

Company Name (Business Name) <u>Grand Canyon Caverns, Inn LLC</u>		
Mailing Address <u>PO Box 180</u>		
<u>Peach Springs</u> (City)	<u>AZ</u> (State)	<u>86434</u> (Zip)
<u>928-422-4565</u> Telephone No. (Include Area Code)	<u>928-422-4470</u> Fax No. (Include Area Code)	 Cell No. (Include Area Code)
Email Address <u>Kfk9ccc@hotmail.com</u>		
Local Office Mailing Address <u>PO Box 180</u>		
<u>Peach Springs</u> (City)	<u>AZ</u> (State)	<u>86434</u> (Zip)
<u>928-422-4565</u> Local Office Telephone No. (Include Area Code)	<u>928-422-4470</u> Fax No. (Include Area Code)	 Cell No. (Include Area Code)
Email Address <u>Kfk9ccc@hotmail.com</u>		

MANAGEMENT INFORMATION

Management Contact: <u>Kim F. Kadletz</u> <u>Managing Partner</u>		
<div>(Name) (Title)</div>		
<u>PO Box 180</u> (Street)	<u>Peach Springs</u> (City)	<u>AZ</u> <u>86434</u> (State) (Zip)
<u>928-422-4565</u> Telephone No. (Include Area Code)	<u>928-422-4470</u> Fax No. (Include Area Code)	 Cell No. (Include Area Code)
Email Address <u>Kfk9ccc@hotmail.com</u>		
On Site Manager: <u>Kim F. Kadletz</u>		
<div>(Name)</div>		
<u>PO Box 180</u> (Street)	<u>Peach Springs</u> (City)	<u>AZ</u> <u>86434</u> (State) (Zip)
<u>928-422-4565</u> Telephone No. (Include Area Code)	<u>928-422-4470</u> Fax No. (Include Area Code)	 Cell No. (Include Area Code)
Email Address <u>Kfk9ccc@hotmail.com</u>		

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

Statutory Agent: Kim F. Kadletz
(Name)

841 S Cypress Pt Williams AZ 86046
(Street) (City) (State) (Zip)

928-422-4565 928-422-4470
Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Attorney: Kim F. Kadletz
(Name)

P.O. Box 180 Peach Springs AZ 86434
(Street) (City) (State) (Zip)

928-422-4565 928-422-4470
Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Email Address kfkgece@hotmail.com

☒ Please mark this box if the above address(es) have changed or are updated since the last filing.

OWNERSHIP INFORMATION

Check the following box that applies to your company:

- | | |
|---|---|
| <input type="checkbox"/> Sole Proprietor (S) | <input type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P) | <input type="checkbox"/> Subchapter S Corporation (Z) |
| <input type="checkbox"/> Bankruptcy (B) | <input type="checkbox"/> Association/Co-op (A) |
| <input type="checkbox"/> Receivership (R) | <input checked="" type="checkbox"/> Limited Liability Company |
| <input type="checkbox"/> Other (Describe) _____ | |

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- | | | |
|-------------------------------------|-----------------------------------|--|
| <input type="checkbox"/> APACHE | <input type="checkbox"/> COCHISE | <input checked="" type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA | <input type="checkbox"/> GRAHAM | <input type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ | <input type="checkbox"/> MARICOPA | <input type="checkbox"/> MOHAVE |
| <input type="checkbox"/> NAVAJO | <input type="checkbox"/> PIMA | <input type="checkbox"/> PINAL |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI | <input type="checkbox"/> YUMA |
| <input type="checkbox"/> STATEWIDE | | |

COMPANY NAME *Grand Canyon Caverns & Inn LLC*

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization			
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements	100,000	71,450	28,550
307	Wells and Springs	}		
311	Pumping Equipment			
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes			
331	Transmission and Distribution Mains			
333	Services			
334	Meters and Meter Installations			
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment	none		
343	Tools, Shop and Garage Equipment	}		
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	100,000	71,450	28,550

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME Grand Canyon Caverns & Inn LLC

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization			
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements	100,000	14.29	14,290
307	Wells and Springs			
311	Pumping Equipment			
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes			
331	Transmission and Distribution Mains			
333	Services			
334	Meters and Meter Installations			
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	100,000	14.29	14,290

This amount goes on the Comparative Statement of Income and Expense _____
 Acct. No. 403.

COMPANY NAME Grand Canyon Caveinsu Inn LLC

BALANCE SHEET

Acct No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 531	\$ 250
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	448.76	.80
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 979.76	\$ 250.80
	FIXED ASSETS		
101	Utility Plant in Service	\$ 100,000	\$ 100,000
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	< 57,160 >	< 71,450.00 >
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$ 428,400	\$ 28,550
	TOTAL ASSETS	\$ 438,19.76	\$ 288,008.00

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

NOTE: All amounts are extrapolated from overall corporate financial records, the water utility does not maintain separate financial records

COMPANY NAME Grand Canyon Caverns Inn LLC

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITIES		
231	Accounts Payable	\$ 979.76	\$ 2192.50
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits		
236	Accrued Taxes		
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	\$ 979.76	\$ 2192.50
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$ 0	\$ 0
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$ 0	\$ 0
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$ 0	\$ 0
	TOTAL LIABILITIES	\$ 979.76	\$ 2192.50
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 100000	\$ 100,000
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings	128500	142870
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ 71420	\$ 57130
	TOTAL LIABILITIES AND CAPITAL	\$ 72399.76	\$ 59322.50

Note: All amounts are extrapolated from overall financial statements. The water utility does not maintain separate financial records

COMPANY NAME Grand Canyon Caverns, Inn LLC

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 819.25	\$ 2743.92
460	Unmetered Water Revenue		
474	Other Water Revenues	4089.52	3693.17
	TOTAL REVENUES	\$ 4908.77	\$ 6437.09
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 4300	\$ 3000
610	Purchased Water		
615	Purchased Power		
618	Chemicals	1821	1925.00
620	Repairs and Maintenance	3942.56	2700.90
621	Office Supplies and Expense	2750	0
630	Outside Services	1476.35	0
635	Water Testing	3695.50	5172.50
641	Rents	3180	0
650	Transportation Expenses		
657	Insurance – General Liability		
659	Insurance - Health and Life		
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense		
403	Depreciation Expense	14290	14290
408	Taxes Other Than Income		
408.11	Property Taxes	296.34	343.47
409	Income Tax		
	TOTAL OPERATING EXPENSES	\$ 31441.72	\$ 24431.87
	OPERATING INCOME/(LOSS)	\$ (26532.95)	\$ (17994.78)
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$	\$
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense		
	TOTAL OTHER INCOME/(EXPENSE)	\$ NONE	\$ NONE
	NET INCOME/(LOSS)	\$ (26532.98)	\$ (17994.78)

Note: All amounts are extrapolated from overall corporate records. The water utility does not maintain separate financial records.

COMPANY NAME

Grand Canyon Caverns & Inn LLC

SUPPLEMENTAL FINANCIAL DATA**Long-Term Debt**

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	None			→
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate	%	%	%	%
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End

\$

0

Meter Deposits Refunded During the Test Year

\$

0

COMPANY NAME	Grand Canyon Caverns & Inn LLC
Name of System:	ADEQ Public Water System Number:

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-627-217	5 HP	66'	1000	6"		unknown
Balder Motor						
Grand L Pumps						
FO018321						

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
None		

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
Balder 5HP	2	0	0

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
203,000	1	NONE	
100,000	1		

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME	Grand Canyon Caverns Inn LLC
Name of System:	ADEQ Public Water System Number:

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS		
Size (in inches)	Material	Length (in feet)
2		
3	Plastic	8.5 miles
4		
5		
6		
8		
10		
12		

CUSTOMER METERS	
Size (in inches)	Quantity
5/8 X 3/4	
3/4	
1	
1 1/2	
2	11
Comp. 3	
Turbo 3	
Comp. 4	
Tubo 4	
Comp. 6	
Tubo 6	

For the following three items, list the utility owned assets in each category for each system.

TREATMENT EQUIPMENT:

Chlorine Control pump

STRUCTURES:

8' x 12' Block Building Pump Station

4' x 4' Booster Pump Shed

OTHER:

None

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME:	Grand Canyon Caverns & Inn LLC		
Name of System:	ADEQ Public Water System Number:		

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2007

MONTH/YEAR	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	9	1187	192	
FEBRUARY	9	1530	180	
MARCH	9	109	141	
APRIL	9	134	171	
MAY	9	57	88	
JUNE	9	180	224	
JULY	9	200	239	
AUGUST	9	143	173	
SEPTEMBER	9	132	167	
OCTOBER	9	66	91	
NOVEMBER	9	132	151	
DECEMBER	9	75	102	
TOTALS →		1499	1899	

What is the level of arsenic for each well on your system? 0.38 mg/L ppb
(If more than one well, please list each separately.)

If system has fire hydrants, what is the fire flow requirement? _____ GPM for _____ hrs

If system has chlorination treatment, does this treatment system chlorinate continuously?
☒ Yes () No

Is the Water Utility located in an ADWR Active Management Area (AMA)?
 () Yes (☒) No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?
 () Yes (☒) No

If yes, provide the GPCPD amount: _____

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME Grand Canyon Caverns Inn LLC YEAR ENDING 12/31/2007

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2007 was: \$ 343.47

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

PAY TO THE ORDER OF
WELLS FARGO BANK, N.A.
122528

45-407

WELLS FARGO
BANK, N.A.
122528
45-407

Deposit To
COCONINO COUNTY TREASURER

WFB NA TEMPE05072007
4974 04430040605 4
>1221-0527-8<
31274: 8 ESU 64

Grand Canyon Caverns And Inn, LLC 5285018		THE STOCKMEN'S BANK	5818
P.O. Box 180 Peach Springs, AZ 86434 928-422-3223		Williams, AZ 86046 91-504/1221	
		4/30/2007	
PAY TO THE ORDER OF	Bonny K. Lynn	\$	7,233.59
Seven Thousand Two Hundred Thirty-Three and 59/100		DOLLARS	
Bonny K. Lynn Coconino County Treas. 110 E Cherry Ave Flagstaff, AZ 86001		<i>Bonny K. Lynn</i>	
⑈005818⑈		⑈0000723359⑈	

< Back

<https://banking.nbarizona.com/nba/userServlet/app/bank/user/viewTransactionDetail?action...> 5/5/2008

2006 PROPERTY TAX NOTICE

PARCEL #	AREA CODE	PRIMARY TAX RATE PER \$100 ASSESSED VALUE	SECONDARY TAX RATE PER \$100 ASSESSED VALUE	IRRIGATION DISTRICT \$ PER ACRE
947-80-200 8	0200	3.9662	2.5991	
ASSESSMENT				
	VALUE IN DOLLARS	ASSTMT %	ASSESSED VALUE	TAX RATE
PRIMARY LAND, BLDGS, ETC	0	24.5	0	3.9662
PRIMARY PERSONAL PROPERTY	0	0.0	0	0.0000
PRIMARY TOTALS	0		0	0.00
SECONDARY LAND	0	24.5	0	2.5991
SECONDARY BLDGS, ETC	19,000	24.5	4,655	2.3991
SEC. PERSONAL PROPERTY	0	0.0	0	0.0000
SECONDARY TOTALS	19,000		4,655	111.70
ACREAGE:		.00		

2006 TAX SUMMARY	
PRIMARY PROPERTY TAX	184.64
LESS STATE AID TO EDUCATION	0.00
NET PRIMARY PROPERTY TAX	184.64
SECONDARY PROPERTY TAX	111.70
SPECIAL DISTRICT TAX	0.00
TOTAL TAXES	296.34

0072218
SITUS ADDRESS:
NULL

LEGAL DESCRIPTION:

TOTAL VALUE OF OPERATING PROPERTY

JURISDICTION	2006 TAXES	2005 TAXES
02000 COCONINO COUNTY	21.53	22.59
07002 WILLIAMS SD #2	186.05	194.11
08150 COMMUNITY COLLEGE	24.53	26.25
10375 WMS HOSPITAL DISTRICT	48.40	49.88
11900 FIRE DISTRICT ASST F	4.66	4.75
14900 CO LIBRARY DIST #77-	8.84	9.02
15000 COUNTY FCD #84-41	0.00	0.00
30001 JNT VOC TECH INST	2.33	2.38
02001 STATE SCH TAX EQUAL	0.00	20.70

This is the only notice you will receive.

Bonny Lynn
Coconino County Treasurer
110 E Cherry Ave
Flagstaff AZ 86001-4627

THIS IS A CALENDAR YEAR TAX NOTICE

4/30/07 148.17

TOTALS 296.34 329.68

947-80-200 8
0049702 01 AT 0.308 **AUTO T9 0 0788 86434-018080



GRAND CANYON CAVERNS & INN, LLC
C/O KIM F KADLETZ/MANAGING MEMBER
P O BOX 180
PEACH SPRINGS AZ 86434-0180

PAYMENT INSTRUCTIONS

To pay the 1st half installment, send the 1st half coupon with your payment postmarked no later than May 1, 2007. To pay the 2nd half installment, send the 2nd half coupon with your payment postmarked no later than May 1, 2007. To pay taxes for the full year if the entire amount billed exceeds \$100, send the 1st half coupon with your payment postmarked no later than Dec. 31, 2006. Delinquent interest will be waived.

Bonny Lynn
Coconino County Treasurer
110 E Cherry Ave
Flagstaff AZ 86001-4627

THERE WILL BE A CHARGE FOR EACH RETURNED CHECK
AND YOUR TAXES WILL REVERT TO AN UNPAID STATUS.

PLEASE INCLUDE YOUR
PARCEL NUMBER
ON YOUR CHECK.

Deposit To
COCONINO COUNTY TREASURER

PRINTED BY
NATIONAL BANK OF ARIZONA
91-5041221
910808
6374

WED JAN TEMPE 01000000
4542 04830488147 4
4790 1221-0527-8
8 E30 59

Grand Canyon Caverns & Inn, LLC PO Box 180 Peach Springs, AZ 86434 928-422-4565		NATIONAL BANK OF ARIZONA 91-5041221		5326172 6374	
				12/30/2007	
PAY TO THE ORDER OF <u>Bonny K. Lynn</u>		\$1,658.12			
One Thousand Six Hundred Fifty-Eight and 12/100		DOLLARS			
Bonny K. Lynn Coconino County Treas. 110 E Cherry Ave Flagstaff, AZ 86001		<i>Diane Radtke</i>			
⑈006374⑈		⑈0000165812⑈			

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<https://banking.nbarizona.com/nba/userServlet/app/bank/user/viewTransactionDetail?action...> 5/5/2008

2007 PROPERTY TAX NOTICE

ARIZONA

PARCEL #	AREA CODE	PRIMARY TAX RATE PER \$100 ASSESSED VALUE	SECONDARY TAX RATE PER \$100 ASSESSED VALUE	IRRIGATION DISTRICT \$ PER ACRE	2007 TAX SUMMARY	
947-80-200 8	0200	4.0443	2.4153		PRIMARY PROPERTY TAX	126.18
ASSESSMENT LIMITED LAND, BLDGS, ETC LIMITED PERSONAL PROPERTY LIMITED TOTALS FULL CASH LAND FULL CASH BUILDINGS, ETC FULL CASH PERSONAL PROPERTY FULL CASH TOTALS					LESS STATE AID TO EDUCATION	0.00
					NET PRIMARY PROPERTY TAX	126.18
					SECONDARY PROPERTY TAX	69.12
					SPECIAL DISTRICT TAX	0.00
						195.30
ACREAGE: .00						

JURISDICTION	2006 TAXES	2007 TAXES
02000 COCONINO COUNTY	21.53	13.67
07002 WILLIAMS SD #2	186.05	125.80
08150 COMMUNITY COLLEGE	24.53	15.18
10375 WILLIAMS HOSPITAL DI	48.40	29.09
11900 FIRE DISTRICT ASSIST	4.66	3.12
14900 COCONINO CO LIBRARY	8.84	6.88
15000 COCONINO COUNTY FCD	0.00	0.00
30001 JOINT VOCATIONAL TEC	2.33	1.56

This is the only notice you will receive.

Bonny Lynn
Coconino County Treasurer
110 E Cherry Ave
Flagstaff AZ 86001-4627

THIS IS A
CALENDAR YEAR
TAX NOTICE

12/30/07 195.30 TOTALS 296.34 195.30

PAYMENT INSTRUCTIONS

To pay the 1st half installment and tax notices under \$100, send the 1st half coupon with your payment postmarked no later than . To pay the 2nd half installment, send the 2nd half coupon with your payment postmarked no later than . To pay taxes for the full year if the entire amount billed per notice exceeds \$100, send the 1st half coupon with your payment postmarked no later than . Delinquent interest will be waived.

Bonny Lynn
Coconino County Treasurer
110 E Cherry Ave
Flagstaff AZ 86001-4627

947-80-200 8
0042144 01 AT 0.334 **AUTO TO 0 0788 86434-018080

GRAND CANYON CAVERNS & INN, LLC
C/O KIM F KADLETZ/MANAGING MEMBER
P O BOX 180
PEACH SPRINGS AZ 86434-0180

THERE WILL BE A CHARGE FOR EACH RETURNED CHECK
AND YOUR TAXES WILL REVERT TO AN UNPAID STATUS.

PARCEL NUMBER

**VERIFICATION
AND
SWORN STATEMENT**
Taxes

RECEIVED
MAY 10 2008
J. H. SUMM
TAX SERVICES

VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)
NAME (OWNER OR OFFICIAL) TITLE <u>Kim F. Radletz</u>
COMPANY NAME <u>Grand Canyon Caverns Inn LLC</u>

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

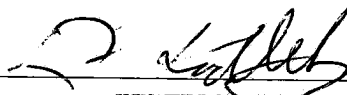
MONTH	DAY	YEAR
12	31	2007

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.


SIGNATURE OF OWNER OR OFFICIAL
928-422-4565
TELEPHONE NUMBER

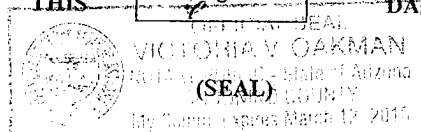
SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

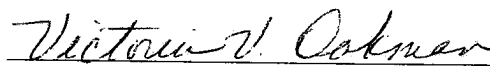
12

DAY OF May 2008



MY COMMISSION EXPIRES 3-17-2010

COUNTY NAME <u>Coconino</u>	
MONTH <u>May</u>	YEAR <u>2008</u>



SIGNATURE OF NOTARY PUBLIC

COMPANY NAME Grand Canyon Caverns • Inn LLC YEAR ENDING 12/31/2007

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported
Estimated or Actual Federal Tax Liability

State Taxable Income Reported
Estimated or Actual State Tax Liability

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances
Amount of Gross-Up Tax Collected
Total Grossed-Up Contributions/Advances

Part of a larger entity
Does not file a tax
return for Utility only.

Part of a larger entity
Does not file a tax return
for Utility Only

0

0

0

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.


SIGNATURE

May 6, 2008
DATE

Kim F. Kadletz
PRINTED NAME

Managing Member
TITLE

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)
NAME (OWNER OR OFFICIAL) TITLE <u>Kim F. Kadletz</u>
COMPANY NAME <u>Grand Canyon Caverns Inn LLC</u>

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2007

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2007 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 4947.78

(THE AMOUNT IN BOX ABOVE
INCLUDES \$
IN SALES TAXES BILLED, OR COLLECTED)

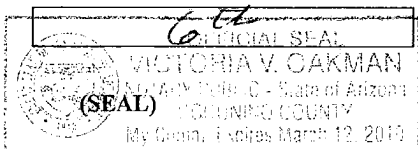
****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

[Signature]
SIGNATURE OF OWNER OR OFFICIAL
928-422-4565
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS



DAY OF

COUNTY NAME	<u>Cochise</u>	
MONTH	<u>May</u>	<u>2008</u>

[Signature]
SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES 3-12-2010

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE**
Intrastate Revenues Only

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	
NAME (OWNER OR OFFICIAL) <i>Kim F. Radletz</i>	TITLE <i>Managing Member</i>
COMPANY NAME <i>Grand Canyon Caverns & Inn, LLC</i>	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2007

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2007 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES
\$ <i>4908.77</i>

THE AMOUNT IN BOX AT LEFT
INCLUDES \$ *0*
IN SALES TAXES BILLED, OR COLLECTED)

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.

[Signature]
SIGNATURE OF OWNER OR OFFICIAL
928-422-4565
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

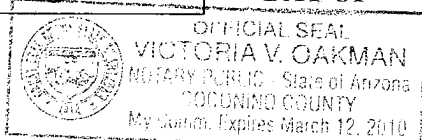
A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

6th

DAY OF

(SEAL)



MY COMMISSION EXPIRES

3-12-2010

NOTARY PUBLIC NAME <i>Victoria V. Oakman</i>	
COUNTY NAME <i>Coconino</i>	
MONTH <i>MAY</i>	YEAR <i>2008</i>

[Signature]
SIGNATURE OF NOTARY PUBLIC